

Fact Sheet**July 2006****Emergency Forestry Conservation Reserve Program
2005 Hurricane Assistance****Overview**

USDA Farm Service Agency's (FSA) Emergency Forestry Conservation Reserve Program (EFCRP) provides up to \$504.1 million to help landowners and operators restore and enhance forestland damaged by 2005 hurricanes Dennis, Katrina, Ophelia, Rita and Wilma. Trees planted through EFCRP will help reduce flood effects, protect water sources, decrease soil erosion and improve wildlife habitat.

Authorization for EFCRP funding comes from the Department of Defense, Emergency Supplemental Appropriations to Address Hurricanes in the Gulf of Mexico, and Pandemic Influenza Act, 2006. Regulations are contained at 7 CFR Part 1410.12.

Eligible Counties

The tree loss must have occurred in one of 261 counties receiving primary presidential or secretarial disaster designations caused by calendar year 2005 hurricanes. EFCRP assistance is unavailable for contiguous counties.

A list of the eligible counties, located in Alabama, Florida, Louisiana, Mississippi, North Carolina and Texas, is available online at: <http://www.fsa.usda.gov/pas/publications/facts/html/hurrcounties06.htm>

Eligible Loss

To be eligible for EFCRP, a producer must be located in one of the 261 counties and have experienced at least a 35 percent loss to merchantable timber on private non-industrial forestland. The loss must be directly related to one of the five 2005 hurricanes. Merchantable timber must have a pre-hurricane trunk diameter of at least 6 inches measured at a point at least 4.5 feet above the ground.

Owners who are principally engaged in the primary processing of raw wood products are ineligible for EFCRP.

Sign-up

Producers may submit offers to participate in EFCRP at local FSA offices from July 17 through Oct. 20, 2006. A forester will collect eligibility and other data. FSA will select producers for enrollment on a continuous basis determined by a benefit index used for ranking offers. Periodically, FSA will pick the highest ranked offers for development of both a conservation plan and a contract.

Ranking Offers

FSA will evaluate and rank offers based on their potential contribution to:

- Preventing soil erosion;
- Improving water quality;
- Enhancing wildlife habitat; and
- Mitigating economic losses caused by the 2005 hurricanes.

The ranking of offers will accord equal weight to softwoods and hardwoods, with additional points awarded for tree species and planting densities that benefit wildlife. FSA will prioritize offers that are suitable for the site.

Ranking Periods

After the forester provides necessary eligibility and other data, FSA will periodically evaluate and offer contracts to top-ranked properties during three ranking periods:

- From July 17 through August 25;
- From August 28 through Sept. 22; and
- From Sept. 25 through Oct. 20.

Eligible offers not selected for a particular ranking period will be rolled over to the next period. For the final ranking period, FSA will select the most desirable offers, subject to available funding.

Conservation Plans

After offer evaluation and acceptance, a forester will work with the landowner to develop a forestry

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conservation plan. The plan will include provisions to:

- Conserve soil;
- Improve water quality;
- Restore wildlife habitat; and
- Restore the land by preparing the site and planting pre-hurricane similar species or other native species.

The plan will also include maintenance requirements such as weed control, tree thinning and prescribed burns, as appropriate.

Contract Approval and Conditions

All EFCRP contracts must have approval by Dec. 31, 2006.

EFCRP participants may not harvest standing timber from enrolled land during the term of the contract period, except when FSA permits it as part of normal forest land maintenance.

Contract Duration

Enrolled land will remain under contract for 10 years. Contracts will become effective the first day of the month following the month of contract approval. EFCRP contracts will expire 10 years later at the end of each month throughout the year, correlating to the month of the effective date.

Payments

EFCRP participants will receive up to 50 percent cost-share assistance to prepare sites and replant

or restore tree stands. Participants will also receive either 10 years of annual rental payments or a lump sum rental payment.

Annual rental payments are issued one year from the effective date of the contract and then every 12 months thereafter for a total of 10 years. Amounts are based on:

- The average rental rate for CRP contracts in the county where the land is physically located; or
- Where a county has no CRP contracts, the CRP rate applicable to a nearby similarly-situated county.

Participants selecting a lump sum will receive the payment within 30 days after the contract becomes effective. Lump sum payments will equal the present value of 10 years of rental payments based on a five-percent discount rate.

Payment Example

A producer who enrolls 10 acres in a county with a rental rate of \$30 per acre would receive:

- 50 percent cost-share assistance; and either
- Lump sum payment of \$2,317 within 30 days after the start of the contract; or
- Annual rental payments of \$300 per year beginning one year after the start of the contract and continuing for nine consecutive years thereafter.

Funding From Other Programs

Producers cannot receive EFCRP cost-share funding for land on which they have or will receive funding from any other Federal program that covers the same expenses.

EFCRP and Conservation Reserve Program (CRP) Acreage

Acreage enrolled in EFCRP does not count toward:

- The per-county number of acres eligible for CRP; or
- CRP's maximum acreage enrollment authority.

For More Information

The EFCRP assistance is part of a \$4.5 billion USDA aid package helping agricultural producers and rural communities recover from the 2005 hurricane season. For more information on EFCRP and other USDA disaster aid programs, visit your local FSA office and FSA's Web site at: <http://disaster.fsa.usda.gov/fsa.asp>

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